

COMED CHEMICALS LIMITED

NOMINATION AND REMUNERATION POLICY

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1. Preamble:

This Nomination and Remuneration Policy (“the Policy”) of Comed Chemicals Limited (“the Company”) has been formulated in compliance with section 178 of the Companies Act, 2013, read together with the applicable rules made thereunder. The Committee was reconstituted and approved by the Board of Directors at its meeting held on 1st June, 2024. The Committee comprises of three members, two of whom are Independent Directors and one is a Non-Executive Director of the Company.

2. Applicability:-

The Policy is applicable to:

- Directors (Executive and Non-Executive),
- Key Managerial Personnel (KMP) and
- Other Senior Management Personnel (SMP),

as determined by the Committee or Board, subject to shareholders approval, wherever applicable. The remuneration shall be governed in line with the respective service agreements and the provisions of the Companies Act, 2013.

3. Objective and references:

The key objectives of the Committee would be:

- Lay down criteria, advise and recommend the Board for appointment and removal of Directors, KMPs and other SMPs;
- Evaluate the performance of the Board members and provide necessary report to the Board for further evaluation of the Board; and
- Recommend the Board the remuneration structure, in whatever form, for the Directors, KMPs and other SMPs, ensuring it aligns with performance, responsibilities and market standards.

4. Definition:

Board:

“Board” means Board of Directors of the Company as constituted from time to time.

Key Managerial Personnel:

“Key Managerial Personnel” means –

Managing Director, Whole Time Director, Chief Executive Officer, Chief Financial Officer, Company Secretary and such other officer as may be prescribed under the Act.

Senior Management Personnel:

“Senior Management Personnel” means –

Personnel who are part of its core management team of the Company excluding the Board of Directors. This would also include all members of management one level below the Chief Executive Officer / Managing Director / Whole Time Director.

5. Constitution, Chairperson and Secretary of the Committee:

The Board reconstituted the Nomination and Remuneration Committee on 1st June, 2024. As on the date of adoption of this Policy i.e. 6th December, 2025, the Committee comprises the following members :

Sr. No.	Name of the Member	Position
1.	Mr. Mohanjeet Singh Syali, Independent Director	Chairman
2.	Mr. Arvind Singh, Independent Director	Member
3.	Ms. Avneet Kaur Sethi, Non-executive Director	Member

The Chairperson of the Committee shall be an Independent Director. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman. The Chairperson of the Committee, or in their absence, a designated member, shall attend the General Meetings of the Company to address shareholders’ queries. The Company Secretary shall act as the secretary for Committee meetings.

The quorum of the meeting shall be one-third of its total strength or two members, whichever is higher, including at least one Independent Director. Participation through video conferencing or other audio-visual means shall be counted for the quorum.

The Committee shall meet at least once in a year or as and when required and as statutorily required under the provisions of the Companies Act, 2013, and as per the applicable laws, if any.

6 Role of the Nomination and Remuneration Committee:

The Committee shall:

- Identify individuals qualified to become Directors or to be appointed in Senior Management positions;
- Recommend to the Board the appointment, re-appointment, removal and remuneration

- of the Director, KMPs and SMPs;
- Formulate criteria for determining qualifications, positive attributes and independence of a Director;
- Ensure that remuneration is reasonable, performance-linked, and aligned with industry benchmarks;
- Develop and periodically review succession planning for the Board and Senior Management.

7 Criteria for Determining the followings:-

a. Qualifications for appointment of Directors (including Independent Directors):

- a) Individuals of eminence, integrity and expertise with significant achievements in business, professions or public service.
- b) Possessing adequate financial or business literacy and relevant experience.
- c) Having such qualification and skills as may be required to fulfill the objectives of the Company.
- d) Meeting the requirements prescribed under the provisions of section 178 of the Companies Act 2013 and Rules made thereunder.

b. Independence Standards:

The following would be the independence review procedure and criteria to assist the Committee evaluate the independence of Directors for recommending to the Board for appointment. A Director is independent if the Board affirmatively determines that the Director does not have a direct or indirect material relationship with the Company, including its affiliates or any member of senior management. "Affiliate" shall mean any company or other entity that controls, is controlled by, or is under common control with the Company.

Also, the candidate shall be evaluated based on the criteria provided under the applicable laws including Companies Act, 2013 read with Rules thereon. In addition to applying these guidelines, the Board will consider all relevant facts and circumstances in making its determination relative to a director's independence.

c. For appointment of KMP and SMP:

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities.
- To practice and encourage professionalism and transparent working environment.
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
- To adhere strictly to code of conduct

Duties for Nominations and Remuneration Committee:

The Committee will recommend the remuneration to be paid to the Directors, KMPs and SMPs, to the Board for their approval. The same shall be subject to the approval of the shareholders of the Company and such other approvals, as may be required.

The duties of the Committee in relation to nomination and remuneration matters include:

- Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management Personnel and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the provisions of section 178 of the Companies Act, 2013 and Rules made there under;
- Determining the appropriate size, diversity and composition of the Board;
- Assisting and advising the Board in ensuring a transparent nomination process to the Board of Directors with the diversity of thought, experience, knowledge and perspective in the Board of Directors;
- Reviewing succession of the Board and Senior Management Personnel on regular interval;
- Reviewing the performance of the Board and Senior Management Personnel to achieve the Company's business goals.
- Ensuring that the remuneration is reasonably and sufficiently paid in order to attract, retain and motivate the Board members, based on the performance of the Company and such other factors as the Committee shall deem appropriate;
- Reviewing and recommending the remuneration of Key Managerial / Senior Management Personnel maintaining a balance between fixed and incentive pay based on the working of the Company;
- Recommending the Board, all remuneration, in whatever form, payable to Senior Management.

Payment of Sitting Fees to the Non-Executive Directors including Independent Directors:

The Non-Executive Directors including Independent Directors may receive sitting fees and / or such other remuneration as approved by the Board within limit prescribed under the Companies Act, 2013. They may also receive commission, if approved by the Board and / or Shareholders, as and when required, subject to statutory limits. Travel, boarding and lodging expenses shall be reimbursed separately.

Payment of Remuneration to Managing / Whole-time / Executive Directors, KMPs and SMPs:

The remuneration, compensation or commission, payable to the Managing / Whole-time / Executive Director shall be governed by the relevant provisions under section 178 of the Companies Act, 2013 and other applicable laws, and shall be determined by the Committee and recommended to the Board for approval. The remuneration, compensation or commission, shall be subject to the prior or post approval of the shareholders of the Company and Central Government, wherever required. The Chairman & Managing Director of the Company is authorized to decide the remuneration of KMP (other than Managing / Whole-time / Executive Director) and Senior Management based on the standard market practice and Company's HR policies.

Retirement of Directors, SMPs and KMPs:

Directors, KMPs and SMPs shall retire as per the applicable provisions of the Companies Act, 2013 and the Company's policies. The Board, at its discretion, retain any Director, KMPs and SMPs in their position, with remuneration or otherwise, even after attaining the retirement age, if deemed beneficial to the Company.

Minutes of the Committee Meetings:

The Company Secretary shall record the proceedings of the Committee meetings and circulate the draft minutes to the members of the Committee within fifteen days. The minutes shall be signed by the Chairperson of the respective meeting or the Chairperson of the subsequent meeting.

Policy Review:

This policy shall be reviewed by the Nomination and Remuneration Committee as and when required and may be amended with the approval of the Board.

Effective Date

This Policy shall come into effect from the date of approval by the Board of Directors of the Company.